

Waterbury Inn Board of Directors (BOD) Meeting Minutes September 12, 2015

Dan called the meeting to order at 9:00. All board members, general manager and two owner reps, Dan and Mike, were present. Introductions were made. Also in attendance were Steve and Lynette Stoffregen (Unit 115) and Dean Brandon (Unit 102). The representative for Marshfield Furniture, Al Greene, was also present.

The minutes from the last meeting were approved.

Discussion: Replacing Furniture

We need to replace the upholstered furniture in each unit. The mechanisms on the sofa sleepers are breaking. The furniture is worn, dated, and uncomfortable. We are getting several complaints and negative comments. Traci and board members have spent time and energy trying to determine what would be the best choice to meet the needs of the Waterbury and its owners. The following criteria were established: quality, commercial grade (our guests are not always respectful of the property), cost, comfort, style, size, and fabric options. We want furniture that is made in the USA and if possible, made in Wisconsin.

We decided on two possibilities. One is Brill, furniture from American Hotel. The other is Marshfield Furniture. We were not able to see the first option because it was not shipped in a timely manner. When it arrives, Traci and Randy will determine how it compares to the Marshfield furniture.

Several of us were able to see, sit and lay on the Marshfield furniture by going to the Newport Resort. They recently ordered sofa beds, chairs, and ottomans. We were impressed particularly with the comfort level of the sofa bed mattress. The furniture met the criteria that we established. The company offers a five-year warranty, exclusive of normal wear and tear; it is anticipated that the furniture will remain in good condition seven or more years based on quality of the construction.

MOTION: Rose moved that Marshfield Furniture be our preferred vendor. Chuck seconded the motion. The motion passed unanimously.

MOTION: Dan moved that we select the sofa style that Newport Resort has and that we select the chair style, Tate, brought here by the rep. Chuck seconded the motion. The motion passed unanimously.

MOTION: Rose moved that we provide an option to owners to have an ottoman. Bill seconded the motion. Two board members abstained, two voted yes, one voted no. The motion passed.

MOTION: Dan moved that Traci, with input from others, select fabric colors by the end of the day. Rose seconded the motion. The motion passed unanimously. We do not yet know the total cost of the furniture; however, one-half of the total cost will need to be paid when we place the order. The other half will need to be paid when the furniture is delivered. Traci plans to place the order as soon as possible so that the furniture can be delivered by April before the busy 2016 season begins. More information related to payments and schedules will be provided at a later date.

As a result, the first installment for furniture payment will be billed/assessed as part of the October quarterly fees. The second and last installment for the furniture payment will be billed/assessed as part of the January quarterly fees given that Marshfield Furniture requires the second payment to be received at least two weeks prior to delivery. We are trying to keep the total cost down, and we can only estimate that each installment will be approximately \$1,300.00 to \$1,500.00 per unit. Owners **must** contact Traci or Dan if arrangements for a payment plan is needed to pay for the furniture in some manner other than the two scheduled special assessments (in October 2015 and January 2016) via the quarterly assessments.

Budget Items

Our water filtration system has been updated and the cost was as anticipated – \$45,800.

We still have a little over \$11,000 in our reserve fund.

Traci used about \$4,600.00 from the rental fund to purchase a tower to improve our Internet connection by increasing bandwidth. Guests were complaining about how slow our Internet was. By acquiring a tower now, we are avoiding all of the “red tape” that will be in effect later. The tower is up and running. We still need to have our system rewired to address all Internet issues. We will provide a basic Internet service to our guests; however, if guests need more than the basic service (e.g., additional bandwidth to watch a movie on a device) we provide, they will need to pay for higher speed and bigger bandwidth which will offset our costs.

We have had a good year. We are advertising smarter and getting better results. This year we spent \$12,000 less on advertising and by using Expedia and Booking.com, our revenue is up \$130,000.

Operations/Manager’s Report

Logical has changed how the **rotation report** is provided. The new report will be year-to-date; previously, we could designate the beginning and end dates of the rotation report (e.g., run the report for more than one year). At the owners’ meeting in March, we will be provided the rotation report for CY 2015.

We had a lengthy power outage in August. Traci and the Waterbury staff did a tremendous job of meeting the needs of our guests who were staying here at the time. While discounts were given to guests because of the loss of power, our insurance paid for the loss of revenue. Traci is going to look at the feasibility and costs associated with having a small gas **generator on hand** to operate computers and lobby lights.

Our **seasonal staff** is starting to leave. The last of our seasonal workers will leave on October 3. Traci reported that she is hoping that many of our seasonal staff will be successful at getting a visa next season so that they can return to the Waterbury.

Clarification of late fees: If quarterly fees/assessments are not paid within 30 days of the due date, a late fee of 1.5% plus \$250.00 is charged. For example, if the Waterbury has not received payment for the April 1st quarterly maintenance fees by April 30th, then the late fees will be applied. Once an owner is in arrears in paying the quarterly maintenance fees, it has been a longstanding policy of the Board to immediately apply proceeds due to the owner to the balance due to the maintenance fund. In addition, the late fee of 1.5% and \$250.00 are applied each subsequent month until there is no outstanding balance due to the Waterbury.

Social

We will schedule one social a year, and that social will be on the same day as the annual owners' meeting. All owners are encouraged to attend the meeting and the social. More information will be provided as March draws near.

The meeting was adjourned at 11:30.

Respectfully Submitted,

Rose Marie Mastricola
BOD Vice-President/Secretary